



CALIFORNIA HIGH-SPEED RAIL AUTHORITY

BOARD MEETING MINUTES AUGUST 6, 2009 SACRAMENTO, CALIFORNIA

The meeting of the California High-Speed Rail Authority was called to order on August 6, 2009 at 10:15 AM at the Sacramento Area Council of Governments (SACOG) in Sacramento, CA.

Call to Order and Roll Call

Members Present: Curt Pringle, Chairman
Thomas Umberg, Vice-Chairman
Quentin Kopp
Fran Florez
Rod Diridon, Sr.
Lynn Schenk
Richard Katz

Pledge of Allegiance

Administered by the Chairman of the Board.

Public Comment

An opportunity for public comment was provided at the beginning of the Board meeting. Kip Field, City of Corona, Public Works Director.

Adoption of Meeting Minutes: July 2, 2009

Chairman Pringle presented the Minutes and held over the adoption pending revisions at the September meeting.

Authority Members' Meetings for Compensation

Chairman Pringle presented the meetings for compensation and held over the adoption to September pending members' reports yet to be received.

Executive Director's Report

Executive Director Morshed reported:

- There is \$139 million for operation of Authority for the next Fiscal Year (FY), budgeted one-half after January 2010, after the Authority publishes its new business plan.
- Availability of bond: As recorded earlier, the Treasurer issued \$4-5 billion in bonds of which \$90 million were Prop 1A bonds are available for Authority use in the 09/10 FY.
- The Board recently sent a letter to Senator Lowenthal regarding the Authority's activities and ARRA funding. Copies of the Program Summary Report describing the Authority's activities were also sent to the Legislature.

- Authority staff and consultants attended a number of meetings with Caltrans and the Department of General Services, to identify types of activities they could provide through interagency agreements; including engineering and right-of-way activities. Staff is currently working with Caltrans to develop a cooperative agreement regarding potential engineering services where the HST is encroaching on state highways.
- Authority staff and consultants met with Union Pacific to discuss critical areas and potential choke points; Union Pacific is reviewing the material staff provided and we are currently waiting for a response.
- BNSF meeting is scheduled next week at LAX.
- Two meetings were held in Southern California with LAMTA and MetroLink; Member Katz also participated. There is a cooperative effort, high degree of interest, and willingness to cooperate.
- Authority staff met with the Mayor of Fresno and City officials working with the Authority to discuss alignment issues in Fresno.
- Authority staff met with representatives from Federal Railroad Administration (FRA) to discuss the upcoming ARRA applications.
- Staff will be presenting, to the Board in September, recommendations for the ARRA application, of which the application deadline is October 2. Between the September 3rd Board meeting and the October 1st Board meetings staff, working with the appropriate Board committee will complete the applications based on direction provided in September. Chairman Pringle added that the Board will preliminarily discuss this issue at the September Board meeting and have final review at October to manage the application deadline.
- There were considerable questions last month about DesertXpress and articles about DesertXpress as part of High-Speed Rail (HSR). DesertXpress is a private venture, not related to HSR, and not part of the state's process of funding. Questions arose because of speculation that DesertXpress will go to Victorville and Palmdale, and then connect to HSR. In the Authority's planning and engineers North/South planning, the Authority is not providing any work or capacity from Los Angeles to Palmdale, traffic from Las Vegas to Palmdale. Additional track may be needed by bringing the train to Palmdale and may not work.
- Personnel changes - Carrie Pourvahidi, will be Chief Deputy Director; two additional Deputy Directors have been added to our roster: Deputy Director for Communications, Jeff Barker, courtesy of the Governor's Office, and Carrie Bowen, representing the Central Valley, is on loan from Caltrans, District 6.
- In response to questions about Caltrans' ability to conduct the work, the most important question is the availability of engineers doing work and to meet our schedule and requirements, which is based on performance. If they can perform the work they will do it. If they cannot, the Authority will contract out. Caltrans will be designing the highway bridges. Caltrans has expressed that they have excess capacity.

Member Reports

Member Diridon stated that the DesertXpress is a formal, national corridor. They do not have a certified environmental clearance, and although designated, they are not a threat to the Authority except for small amount of planning money.

Chair Pringle commented that DesertXpress has not submitted an application or pre-application through the State of California. Much of their focus is private funding as well as program funds – not any ARRA funds.

Member Schenk expressed concern with the Director's Report of \$90 million, real money, and offered for discussion the Board's fiduciary responsibility, and recommendation how the Board is kept apprised.

Chairman Pringle acknowledged Member Schenk's concerns regarding the Authority's budget. This issue as well as others will be addressed in upcoming workshops and during committee deliberations.

Member Kopp referred to the July Executive Director's report regarding a legal opinion related to alignment alternative for the Transbay Terminal in San Francisco. The Authority's legal counsel has analyzed the request and believes that the alternative should be analyzed. Executive Director Morshed agreed. The opinion of counsel is that environmental documents should include analysis of proposed location and refer it to the program management team; staff is currently working to include this alternative in the environmental process.

Chairman Pringle announced the creation of three subcommittees and responsibilities:

1. Executive/Administrative Committee: The Chair will serve, with members Kopp and Florez.
2. Operations Committee: Richard Katz, Rod Diridon.
3. Finance Committee: Vice-Chairman Umberg, David Crane and Lynn Schenk.

Committees are able to more clearly focus their attention and present to the Board issues needing to be addressed. Over the next couple of months workshops will be conducted to educate the board on the current status of critical areas of the project. The schedule of workshops is as follows:

1. August: Operations and Project Phasing
2. September: Financing abilities to pay for system
3. October: Discuss administration expectations from KPMG report: staffing, budgeting

Executive Director noted that an RFP was released this past month, soliciting statewide public communications and information services for the Authority. Results of that procurement will be brought back to Authority at the September board meeting.

Chairman Pringle directed staff to post all of the board material on the Authority's website as soon as the agenda and board materials are released.

Member Diridon reported he will give the Oberstar and DeFasio packet to the Executive Director. Profa (China) Ltd. background material was already given to Executive Director, which was accepted by Member Kopp.

Member Schenk had number of meetings with the Mayor, and a number of cooperative meetings with SANDAG and with RCTC, as will be heard from Jose Martinez.

Member Katz reported bond with Metrolink and MTA and appreciates leadership and looks forward to that.

Member Diridon reported that the \$14 billion federal debt and 15 national organizations – almost all are created by lobbying firms in Washington. USHSR Assn (over a dozen), ACTA and ASHTA (represent state departments, transportation directors). ATHA represents contractors and have been in the lead on HSR, and have created a policy for other organizations to join together and prevent confusion, to discourage political proliferations so that it is focused through the two spearheading organizations at a national level.

Executive Director reported that CHSRA is a member of APTA at the request of Member Diridon, and he has been representing us on that.

Pending Legislation

Staff presented discussion on pending legislation.

Chairman Pringle stated that the Authority has taken a "watch" position rather than opposition, and the Board's ability to work with the Senator on SB 455 is to make sure the Board's concerns are met.

Request for Proposal for Ridership and Revenue Study

Staff requested approval to prepare and release a request for proposal (RFP) for developing new "investment grade" ridership and revenue forecasts to assist in attracting public private partnerships.

Executive Director reported on the proposal for a forecasting mechanism. He met with Marty Tuttle of Caltrans, who reported that Caltrans is also planning to create a transportation forecasting model. It is a significant benefit to join forces with Caltrans for a single model for Caltrans and HSR. With the Board's permission, this issue can be put over for now to explore possibilities of working with Caltrans.

Italian Co-Operative Agreement

Member Diridon made the motion to enter into the Co-Operative Agreement with the Italians, Member Katz seconded, motion passed unanimously.

German Co-Operative Agreement

Member Diridon made the motion to enter into the Co-Operative Agreements with the Germans, Member Katz seconded, motion passed unanimously.

Los Angeles San Diego (via Inland Empire) Corridor Update

Jose Martinez, Regional Program Manager for Los Angeles to San Diego presented a PowerPoint presentation. The presentation was posted to the website.

Workshop Introduction

Chairman Pringle announced that upon completion of the workshop the workshop PowerPoint Presentation will be available to the public on the Authority's website and will be sent via email to those Board Members that have email access and hard color copies to those Members without.

Tony Daniels, Parson-Brinckerhoff Program Director and Kent Riffey, Chief Engineer, presented a PowerPoint presentation which is available on the website.